

STATE OF SOUTH DAKOTA
BEFORE THE
PUBLIC UTILITIES COMMISSION

In the Matter of the Request by)
NorthWestern Public Service Company)
For Tariff Revisions)

Docket No. NG96-015

**NORTHWESTERN CORPORATION REPORT CONCERNING
MANUFACTURED GAS PLANT
REMEDATION COST RECOVERIES**

NorthWestern Corporation (formerly NorthWestern Public Service Company), doing business as NorthWestern Energy ("NorthWestern"), hereby files this report ("Report") with regard to the ongoing manufactured gas plant ("MGP") remediation costs ("Costs") incurred by NorthWestern at certain MGP sites in South Dakota and the partial recovery of such Costs from certain insurance policies, as specified in the Order Approving Tariff Revisions and Approving Settlement in this docket, dated November 25, 1996.

Update on Insurance Collection Efforts

As previously reported, in 1998 NorthWestern engaged the Washington, D.C. law firm of Swidler Berlin ("Swidler") to assist in recovery of the ongoing MGP Costs under certain NorthWestern historical commercial general liability insurance policies (hereinafter, "CGL Policies"). Initially, Swidler prepared an inventory of all NorthWestern CGL Policies, evaluated the financial viability of each carrier, as well as the language in each policy that may permit NorthWestern to seek recovery of such MGP Costs. Based on that review, NorthWestern filed claims under certain CGL Policies with regard to former MGP sites. During preliminary discussions with the carriers, however, it became apparent that the carriers desired to negotiate a complete policy buy-out with respect to exposures under their respective CGL Policies. Thus, in order to gain access to money to compensate for environmental remediation Costs, and because NorthWestern was concerned about the continued viability of some of the insurers, NorthWestern elected to negotiate a global settlement as to all NorthWestern risks under certain CGL Policies relating to its

South Dakota and Nebraska utility operations. This settlement addressed both known and unknown environmental risks, including six known MGP sites, with the South Dakota sites including Huron, Aberdeen, and Mitchell (as well as three sites in Nebraska), as well as potential issues at the Big Stone Plant in northeastern South Dakota.

Between May 1999 and October 1999, NorthWestern reached settlements with three of the four solvent insurance carriers in a total gross sum of \$6,879,707 for known and unknown environmental risks. Pursuant to a fee agreement with Swidler, after payment of that firm's expenses and negotiated fees, the net proceeds received by NorthWestern were \$4,815,795. Of these net proceeds, \$3,094,000 was attributable to South Dakota sites and \$1,721,795 was attributable to Nebraska sites.

Subsequent to the settlements discussed above, Swidler continued to pursue recovery from insolvent carriers. During 2005, Swidler was able to collect the following amounts from the following London insolvent carriers: (i) Andrew Weir Insurance Company Ltd. - \$89,961; and (ii) United Standard Insurance Company Ltd. - \$11,042. Under the terms of fee agreement, Swidler was entitled to 20% of all amounts collected from insolvent carriers. As a result, the net proceeds received by NorthWestern during 2005 totaled \$80,802. Of these net proceeds, \$51,923 was attributable to South Dakota sites and \$28,879 was attributable to Nebraska sites. Net insurance proceeds attributable to South Dakota sites totaled \$3,145,923 as of December 31, 2005.

NorthWestern is evaluating and pursuing additional recovery opportunities from historical CGL policies that were not part of the Swidler settlement and historical property insurance policies.

NorthWestern has not reached any conclusions with respect to recovery potential under these policies.

Update on South Dakota MGP Environmental Remediation Expenditures

Exhibit 1 attached hereto provides a summary of cash disbursements for South Dakota MGP Costs and allocated insurance policy buy-out cash receipts for the period commencing October 1995 and continuing through December 2005. During this period, NorthWestern has incurred Costs totaling \$1,984,267. As of December 31, 2005, NorthWestern has net remaining proceeds of \$1,161,656 to apply against future costs. NorthWestern has also computed interest, compounded monthly, at a rate equal to

8.53%, the last allowed overall rate of return as provided in the 1999 rate case settlement. As of December 31, 2005, the computed interest totaled \$1,050,742. Therefore, as of December 31, 2005, under Docket No. NG96-015 NorthWestern's insurance proceeds plus an interest calculation exceed incurred Costs by \$2,212,398.

Projected 2006 and 2007 South Dakota MGP Environmental Remediation Expenditures

As of the date of this Report, NorthWestern has two active South Dakota MGP remediation projects – Mitchell and Aberdeen. NorthWestern will continue to incur remediation and monitoring expenditures at these two locations during calendar years 2006 and 2007. For calendar year 2006, NorthWestern is anticipating spending approximately \$96,000 at the Mitchell location and approximately \$1,450,000 on the Aberdeen location. For calendar year 2007, NorthWestern is projecting remediation and/or monitoring expenditures of approximately \$34,000 at the Mitchell location and approximately \$3,900,000 at the Aberdeen location. Based upon the most current site evaluation information, the anticipated total cost to complete the Aberdeen remediation is approximately \$14,000,000.

With respect to the \$2,212,398 balance, based upon the projected Mitchell and Aberdeen 2006 and 2007 MGP Costs, the balance arising from the CGL Policy buy-outs will be fully applied to ongoing remediation efforts sometime during calendar year 2007. Payment for the on-going obligations will be applied against the \$2,212,398 balance and any additional insurance recoveries.

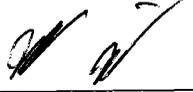
Status of Docket No. NG96-015 and Recovery of Future Costs

NorthWestern believes that its ongoing obligations under Docket No. NG96-015 are essentially complete, as the order issued under this docket only required periodic updates regarding insurance collections efforts. The Company, however, desires to reach agreement with the South Dakota Public Utilities Commission and its staff as to: (i) the finality of its obligations under Docket No. NG96-015, (ii) the methodology for future application of the \$2,212,398 net balance under this docket, and (iii) the process for seeking timely recovery of Costs incurred by NorthWestern subsequent to the liquidation of the \$2,212,398 net balance. NorthWestern intends to approach the Commission and staff to address resolution of these issues in the near future.

Dated this 23rd day of May 2006.

Respectfully submitted,

NorthWestern Corporation,
doing business as NorthWestern Energy

By: 

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**NorthWestern Corporation
 Summary of SD MGP Costs and Proceeds
 Through December 31, 2005**

	Year	Amount
<u>Insurance Proceeds Allocable to South Dakota</u>		
	1999-2000	3,094,000
	2005	51,923
Total insurance proceeds		3,145,923
<u>Remediation costs incurred in South Dakota</u>		
	1995-2004	1,317,049
	2005	667,218
Total remediation costs incurred		1,984,267
Remaining proceeds to apply against future costs		1,161,656
Accrued interest		1,050,742
Total proceeds plus accrued interest		2,212,398
<u>Projected South Dakota remediation costs</u>		
	2006	1,546,000
	2007	3,934,000
Total projected costs during next two years		5,480,000
Projected costs exceeding proceeds plus accrued interest at 12/31/05		3,267,602

Month	Beginning Balance	Monthly Activity	Ending Balance	Interest on Ending Balance	Final Ending Balance
Oct-95	-	24,946.40	24,946.40	177.33	25,123.73
Nov-95	25,123.73	13,056.31	38,180.04	271.40	38,451.43
Dec-95	38,451.43	15,074.31	53,525.74	380.48	53,906.22
Jan-96	53,906.22	39,705.73	93,611.95	665.42	94,277.38
Feb-96	94,277.38	3,205.77	97,483.15	692.94	98,176.09
Mar-96	98,176.09	7,051.68	105,227.77	747.99	105,975.76
Apr-96	105,975.76	0	105,975.76	753.31	106,729.08
May-96	106,729.08	2,851.80	109,580.88	778.94	110,359.81
Jun-96	110,359.81	1,676.57	112,036.38	796.39	112,832.77
Jul-96	112,832.77	4,630.29	117,463.06	834.97	118,298.03
Aug-96	118,298.03	111.35	118,409.38	841.69	119,251.07
Sep-96	119,251.07	3,702.50	122,953.57	873.99	123,827.57
Oct-96	123,827.57	2,138.35	125,965.92	895.41	126,861.33
Nov-96	126,861.33	352.19	127,213.52	904.28	128,117.79
Dec-96	128,117.79	4,222.03	132,339.82	940.72	133,280.54
Jan-97	133,280.54	3,748.83	137,029.37	974.05	138,003.42
Feb-97	138,003.42	7,195.44	145,198.86	1,032.12	146,230.98
Mar-97	146,230.98	29,787.56	176,018.54	1,251.20	177,269.74
Apr-97	177,269.74	6,235.52	183,505.26	1,304.42	184,809.68
May-97	184,809.68	13,778.07	198,587.75	1,411.63	199,999.37
Jun-97	199,999.37	9,048.07	209,047.44	1,485.98	210,533.42
Jul-97	210,533.42	58,925.04	269,458.46	1,915.40	271,373.86
Aug-97	271,373.86	87,760.22	359,134.08	2,552.84	361,686.93
Sep-97	361,686.93	11,107.01	372,793.94	2,649.94	375,443.88
Oct-97	375,443.88	25,735.73	401,179.61	2,851.72	404,031.33
Nov-97	404,031.33	14,242.32	418,273.65	2,973.23	421,246.88
Dec-97	421,246.88	18,154.88	439,401.76	3,123.41	442,525.17
Jan-98	442,525.17	1,164.16	443,689.33	3,153.89	446,843.22
Feb-98	446,843.22	4,203.72	451,046.94	3,206.19	454,253.14
Mar-98	454,253.14	21,543.15	475,796.29	3,382.12	479,178.41
Apr-98	479,178.41	3,060.91	482,239.32	3,427.92	485,667.23
May-98	485,667.23	35,270.29	520,937.52	3,703.00	524,640.52
Jun-98	524,640.52	880.89	525,521.41	3,735.58	529,256.99
Jul-98	529,256.99	32,249.78	561,506.77	3,991.38	565,498.15
Aug-98	565,498.15	15,477.21	580,975.36	4,129.77	585,105.13
Sep-98	585,105.13	9,548.09	594,653.22	4,226.99	598,880.21
Oct-98	598,880.21	3,333.58	602,213.79	4,280.74	606,494.53
Nov-98	606,494.53	6,030.50	612,525.03	4,354.03	616,879.06
Dec-98	616,879.06	1,537.01	618,416.07	4,395.91	622,811.98
Jan-99	622,811.98	16,559.29	639,371.27	4,544.86	643,916.13
Feb-99	643,916.13	3,791.17	647,707.30	4,604.12	652,311.42
Mar-99	652,311.42	24,808.00	677,119.42	4,813.19	681,932.61
Apr-99	681,932.61	2,264.86	684,197.47	4,863.50	689,060.97
May-99	689,060.97	(140,930.27)	548,130.70	3,896.30	552,027.00
Jun-99	552,027.00	69,833.86	621,860.86	4,420.39	626,281.25
Jul-99	626,281.25	65,118.80	691,400.05	4,914.70	696,314.76
Aug-99	696,314.76	16,045.40	712,360.16	5,063.69	717,423.85
Sep-99	717,423.85	(407,793.50)	309,630.35	2,200.96	311,831.30
Oct-99	311,831.30	2,898.80	314,730.10	2,237.21	316,967.31
Nov-99	316,967.31	(1,251,306.93)	(934,339.62)	(6,641.60)	(940,981.22)
Dec-99	(940,981.22)	(190,253.17)	(1,131,234.39)	(8,041.19)	(1,139,275.58)
Jan-00	(1,139,275.58)	(743,062.04)	(1,882,337.62)	(13,380.28)	(1,895,717.90)
Feb-00	(1,895,717.90)	920.05	(1,894,797.85)	(13,468.85)	(1,908,266.71)
Mar-00	(1,908,266.71)	1,500.00	(1,906,766.71)	(13,553.93)	(1,920,320.64)
Apr-00	(1,920,320.64)	(1,395.54)	(1,921,716.18)	(13,660.20)	(1,935,376.38)
May-00	(1,935,376.38)	20,321.48	(1,915,054.90)	(13,612.85)	(1,928,667.75)
Jun-00	(1,928,667.75)	2,985.19	(1,925,682.56)	(13,688.39)	(1,939,370.95)
Jul-00	(1,939,370.95)	3,626.50	(1,935,744.45)	(13,759.92)	(1,949,504.37)
Aug-00	(1,949,504.37)	(275.01)	(1,949,779.38)	(13,859.68)	(1,963,639.06)
Sep-00	(1,963,639.06)	(122,849.16)	(2,086,488.22)	(14,831.45)	(2,101,319.67)
Oct-00	(2,101,319.67)	10,247.43	(2,091,072.24)	(14,864.04)	(2,105,936.28)
Nov-00	(2,105,936.28)	1,758.54	(2,104,177.74)	(14,957.20)	(2,119,134.94)
Dec-00	(2,119,134.94)	660.36	(2,118,474.58)	(15,058.82)	(2,133,533.40)
Jan-01	(2,133,533.40)	0	(2,133,533.40)	(15,165.87)	(2,148,699.27)
Feb-01	(2,148,699.27)	0	(2,148,699.27)	(15,273.67)	(2,163,972.94)
Mar-01	(2,163,972.94)	0	(2,163,972.94)	(15,382.24)	(2,179,355.18)
Apr-01	(2,179,355.18)	517.27	(2,178,837.91)	(15,487.91)	(2,194,325.81)
May-01	(2,194,325.81)	0	(2,194,325.81)	(15,598.00)	(2,209,923.81)
Jun-01	(2,209,923.81)	0	(2,209,923.81)	(15,708.88)	(2,225,632.69)
Jul-01	(2,225,632.69)	0	(2,225,632.69)	(15,820.54)	(2,241,453.23)
Aug-01	(2,241,453.23)	886.96	(2,240,566.27)	(15,926.69)	(2,256,492.96)

Month	Beginning Balance	Monthly Activity	Ending Balance	Interest on Ending Balance	Final Ending Balance
Sep-01	(2,256,492.96)	1,107.70	(2,255,385.26)	(16,032.03)	(2,271,417.29)
Oct-01	(2,271,417.29)	0	(2,271,417.29)	(16,145.99)	(2,287,563.28)
Nov-01	(2,287,563.28)	566.04	(2,286,997.24)	(16,256.74)	(2,303,253.98)
Dec-01	(2,303,253.98)	0	(2,303,253.98)	(16,372.30)	(2,319,626.28)
Jan-02	(2,319,626.28)	0	(2,319,626.28)	(16,488.68)	(2,336,114.95)
Feb-02	(2,336,114.95)	0	(2,336,114.95)	(16,605.88)	(2,352,720.84)
Mar-02	(2,352,720.84)	0	(2,352,720.84)	(16,723.92)	(2,369,444.76)
Apr-02	(2,369,444.76)	57,490.34	(2,311,954.42)	(16,434.14)	(2,328,388.56)
May-02	(2,328,388.56)	0	(2,328,388.56)	(16,550.96)	(2,344,939.53)
Jun-02	(2,344,939.53)	9,157.12	(2,335,782.41)	(16,603.52)	(2,352,385.93)
Jul-02	(2,352,385.93)	29,407.75	(2,322,978.18)	(16,512.50)	(2,339,490.68)
Aug-02	(2,339,490.68)	0	(2,339,490.68)	(16,629.88)	(2,356,120.56)
Sep-02	(2,356,120.56)	9,764.20	(2,346,356.36)	(16,678.68)	(2,363,035.04)
Oct-02	(2,363,035.04)	26,053.82	(2,336,981.22)	(16,612.04)	(2,353,593.26)
Nov-02	(2,353,593.26)	9,881.11	(2,343,712.15)	(16,659.89)	(2,360,372.04)
Dec-02	(2,360,372.04)	0	(2,360,372.04)	(16,778.31)	(2,377,150.35)
Jan-03	(2,377,150.35)	0	(2,377,150.35)	(16,897.58)	(2,394,047.93)
Feb-03	(2,394,047.93)	0	(2,394,047.93)	(17,017.69)	(2,411,065.62)
Mar-03	(2,411,065.62)	0	(2,411,065.62)	(17,138.66)	(2,428,204.28)
Apr-03	(2,428,204.28)	0	(2,428,204.28)	(17,260.49)	(2,445,464.76)
May-03	(2,445,464.76)	0	(2,445,464.76)	(17,383.18)	(2,462,847.94)
Jun-03	(2,462,847.94)	0	(2,462,847.94)	(17,506.74)	(2,480,354.69)
Jul-03	(2,480,354.69)	0	(2,480,354.69)	(17,631.19)	(2,497,985.87)
Aug-03	(2,497,985.87)	0	(2,497,985.87)	(17,756.52)	(2,515,742.39)
Sep-03	(2,515,742.39)	0	(2,515,742.39)	(17,882.74)	(2,533,625.13)
Oct-03	(2,533,625.13)	0	(2,533,625.13)	(18,009.85)	(2,551,634.98)
Nov-03	(2,551,634.98)	0	(2,551,634.98)	(18,137.87)	(2,569,772.85)
Dec-03	(2,569,772.85)	0	(2,569,772.85)	(18,266.80)	(2,588,039.65)
Jan-04	(2,588,039.65)	0	(2,588,039.65)	(18,396.65)	(2,606,436.30)
Feb-04	(2,606,436.30)	0	(2,606,436.30)	(18,527.42)	(2,624,963.72)
Mar-04	(2,624,963.72)	0	(2,624,963.72)	(18,659.12)	(2,643,622.83)
Apr-04	(2,643,622.83)	0	(2,643,622.83)	(18,791.75)	(2,662,414.59)
May-04	(2,662,414.59)	0	(2,662,414.59)	(18,925.33)	(2,681,339.92)
Jun-04	(2,681,339.92)	0	(2,681,339.92)	(19,059.86)	(2,700,399.78)
Jul-04	(2,700,399.78)	0	(2,700,399.78)	(19,195.34)	(2,719,595.12)
Aug-04	(2,719,595.12)	0	(2,719,595.12)	(19,331.79)	(2,738,926.91)
Sep-04	(2,738,926.91)	0	(2,738,926.91)	(19,469.21)	(2,758,396.11)
Oct-04	(2,758,396.11)	0	(2,758,396.11)	(19,607.60)	(2,778,003.71)
Nov-04	(2,778,003.71)	0	(2,778,003.71)	(19,746.98)	(2,797,750.69)
Dec-04	(2,797,750.69)	0	(2,797,750.69)	(19,887.34)	(2,817,638.03)
Jan-05	(2,817,638.03)	0	(2,817,638.03)	(20,028.71)	(2,837,666.74)
Feb-05	(2,837,666.74)	0	(2,837,666.74)	(20,171.08)	(2,857,837.82)
Mar-05	(2,857,837.82)	0	(2,857,837.82)	(20,314.46)	(2,878,152.29)
Apr-05	(2,878,152.29)	0	(2,878,152.29)	(20,458.87)	(2,898,611.15)
May-05	(2,898,611.15)	188,466.84	(2,710,144.31)	(19,264.61)	(2,729,408.92)
Jun-05	(2,729,408.92)	59,649.66	(2,669,759.26)	(18,977.54)	(2,688,736.80)
Jul-05	(2,688,736.80)	0	(2,688,736.80)	(19,112.44)	(2,707,849.24)
Aug-05	(2,707,849.24)	63,844.33	(2,644,004.91)	(18,794.47)	(2,662,799.38)
Sep-05	(2,662,799.38)	2,908.75	(2,659,890.63)	(18,907.39)	(2,678,798.01)
Oct-05	(2,678,798.01)	116,253.65	(2,562,544.36)	(18,215.42)	(2,580,759.78)
Nov-05	(2,580,759.78)	139,785.73	(2,440,974.05)	(17,351.26)	(2,458,325.31)
Dec-05	(2,458,325.31)	44,385.79	(2,413,939.52)	(17,159.09)	(2,431,098.61)

(1,311,655.57)

(1,119,443.04)

excludes IRS charge

Summary of insurance proceeds and costs incurred since 1995

Net SD related insurance proceeds received in 1999-2000	(3,094,000)
Net SD related insurance proceeds received in 2005	(51,923)
Costs incurred since 1995	1,984,267
Net remaining proceeds to apply against future costs	<u>(1,161,656)</u>
Costs incurred in 2005	667,218

Month	Beginning Balance	Monthly Activity	Ending Balance	Interest on Ending Balance	Final Ending Balance
Oct-95	-	24,946.40	24,946.40	177.33	25,123.73
Nov-95	25,123.73	13,056.31	38,180.04	271.40	38,451.43
Dec-95	38,451.43	15,074.31	53,525.74	380.48	53,906.22
Jan-96	53,906.22	39,705.73	93,611.95	665.42	94,277.38
Feb-96	94,277.38	3,205.77	97,483.15	692.94	98,176.09
Mar-96	98,176.09	7,051.68	105,227.77	747.99	105,975.76
Apr-96	105,975.76	0	108,827.56	773.58	109,601.15
May-96	109,601.15	2,851.80	111,277.72	791.00	112,068.72
Jun-96	112,068.72	1,676.57	116,699.01	829.54	117,528.54
Jul-96	117,528.54	4,630.29	117,639.89	836.22	118,476.12
Aug-96	118,476.12	111.35	122,178.62	868.49	123,047.10
Sep-96	123,047.10	3,702.50	125,185.45	889.86	126,075.31
Oct-96	126,075.31	2,138.35	126,427.50	898.69	127,326.19
Nov-96	127,326.19	352.19	131,548.22	935.09	132,483.31
Dec-96	132,483.31	4,222.03	136,232.14	968.38	137,200.52
Jan-97	137,200.52	3,748.83	144,395.96	1,026.41	145,422.38
Feb-97	145,422.38	7,195.44	175,209.94	1,245.45	176,455.39
Mar-97	176,455.39	29,787.56	182,690.91	1,298.63	183,989.54
Apr-97	183,989.54	6,235.52	197,767.61	1,405.80	199,173.40
May-97	199,173.40	13,778.07	208,221.47	1,480.11	209,701.58
Jun-97	209,701.58	9,048.07	268,626.62	1,909.49	270,536.11
Jul-97	270,536.11	58,925.04	358,296.33	2,546.89	360,843.22
Aug-97	360,843.22	87,760.22	371,950.23	2,643.95	374,594.17
Sep-97	374,594.17	11,107.01	400,329.90	2,845.68	403,175.58
Oct-97	403,175.58	25,735.73	417,417.90	2,967.15	420,385.05
Nov-97	420,385.05	14,242.32	438,539.93	3,117.29	441,657.22
Dec-97	441,657.22	18,154.88	442,821.38	3,147.72	445,969.10
Jan-98	445,969.10	1,164.16	450,172.82	3,199.98	453,372.80
Feb-98	453,372.80	4,203.72	474,915.95	3,375.86	478,291.81
Mar-98	478,291.81	21,543.15	481,352.72	3,421.62	484,774.33
Apr-98	484,774.33	3,060.91	520,044.62	3,696.65	523,741.27
May-98	523,741.27	35,270.29	524,622.16	3,729.19	528,351.35
Jun-98	528,351.35	880.89	560,601.13	3,984.94	564,586.07
Jul-98	564,586.07	32,249.78	580,063.28	4,123.28	584,186.57
Aug-98	584,186.57	15,477.21	593,734.66	4,220.46	597,955.12
Sep-98	597,955.12	9,548.09	601,288.70	4,274.16	605,562.86
Oct-98	605,562.86	3,333.58	611,593.36	4,347.41	615,940.77
Nov-98	615,940.77	6,030.50	617,477.78	4,389.24	621,867.02
Dec-98	621,867.02	1,537.01	638,426.31	4,538.15	642,964.45
Jan-99	642,964.45	16,559.29	646,755.62	4,597.35	651,352.98
Feb-99	651,352.98	3,791.17	676,160.98	4,806.38	680,967.36
Mar-99	680,967.36	24,808.00	683,232.22	4,856.64	688,088.86
Apr-99	688,088.86	2,264.86	547,158.59	3,889.39	551,047.97
May-99	551,047.97	(140,930.27)	620,881.83	4,413.44	625,295.27
Jun-99	625,295.27	69,833.86	690,414.07	4,907.69	695,321.76
Jul-99	695,321.76	65,118.80	711,367.16	5,056.63	716,423.80
Aug-99	716,423.80	16,045.40	308,630.30	2,193.85	310,824.15
Sep-99	310,824.15	(407,793.50)	313,722.95	2,230.05	315,952.99
Oct-99	315,952.99	2,898.80	(935,353.94)	(6,648.81)	(942,002.75)
Nov-99	(942,002.75)	(1,251,306.93)	(1,132,255.92)	(8,048.45)	(1,140,304.37)
Dec-99	(1,140,304.37)	(190,253.17)	(1,883,366.41)	(13,387.60)	(1,896,754.00)
Jan-00	(1,896,754.00)	(743,062.04)	(1,895,833.95)	(13,476.22)	(1,909,310.17)
Feb-00	(1,909,310.17)	920.05	(1,907,810.17)	(13,561.35)	(1,921,371.52)
Mar-00	(1,921,371.52)	1,500.00	(1,922,767.06)	(13,667.67)	(1,936,434.73)
Apr-00	(1,936,434.73)	(1,395.54)	(1,916,113.25)	(13,620.37)	(1,929,733.62)
May-00	(1,929,733.62)	20,321.48	(1,926,748.43)	(13,695.97)	(1,940,444.40)
Jun-00	(1,940,444.40)	2,985.19	(1,936,817.90)	(13,767.55)	(1,950,585.45)
Jul-00	(1,950,585.45)	3,626.50	(1,950,860.46)	(13,867.37)	(1,964,727.83)
Aug-00	(1,964,727.83)	(275.01)	(1,937,576.99)	(13,772.94)	(1,951,349.93)
Sep-00	(1,951,349.93)	27,150.84	(1,941,102.50)	(13,798.00)	(1,954,900.50)
Oct-00	(1,954,900.50)	10,247.43	(1,953,141.96)	(13,883.58)	(1,967,025.55)
Nov-00	(1,967,025.55)	1,758.54	(1,966,365.19)	(13,977.58)	(1,980,342.77)
Dec-00	(1,980,342.77)	660.36	(1,980,342.77)	(14,076.94)	(1,994,419.70)
Jan-01	(1,994,419.70)	0	(1,994,419.70)	(14,177.00)	(2,008,596.70)
Feb-01	(2,008,596.70)	0	(2,008,596.70)	(14,277.77)	(2,022,874.48)
Mar-01	(2,022,874.48)	0	(2,022,357.21)	(14,375.59)	(2,036,732.80)
Apr-01	(2,036,732.80)	517.27	(2,036,732.80)	(14,477.78)	(2,051,210.57)
May-01	(2,051,210.57)	0	(2,051,210.57)	(14,580.69)	(2,065,791.26)
Jun-01	(2,065,791.26)	0	(2,065,791.26)	(14,684.33)	(2,080,475.60)
Jul-01	(2,080,475.60)	0	(2,079,588.64)	(14,782.41)	(2,094,371.04)
Aug-01	(2,094,371.04)	886.96	(2,093,263.34)	(14,879.61)	(2,108,142.96)

Month	Beginning Balance	Monthly Activity	Ending Balance	Interest on Ending Balance	Final Ending Balance
Sep-01	(2,108,142.96)	1,107.70	(2,108,142.96)	(14,985.38)	(2,123,128.34)
Oct-01	(2,123,128.34)	0	(2,122,562.30)	(15,087.88)	(2,137,650.18)
Nov-01	(2,137,650.18)	566.04	(2,137,650.18)	(15,195.13)	(2,152,845.31)
Dec-01	(2,152,845.31)	0	(2,152,845.31)	(15,303.14)	(2,168,148.45)
Jan-02	(2,168,148.45)	0	(2,168,148.45)	(15,411.92)	(2,183,560.38)
Feb-02	(2,183,560.38)	0	(2,183,560.38)	(15,521.47)	(2,199,081.85)
Mar-02	(2,199,081.85)	0	(2,141,591.51)	(15,223.15)	(2,156,814.66)
Apr-02	(2,156,814.66)	57,490.34	(2,156,814.66)	(15,331.36)	(2,172,146.01)
May-02	(2,172,146.01)	0	(2,162,988.89)	(15,375.25)	(2,178,364.14)
Jun-02	(2,178,364.14)	9,157.12	(2,148,956.39)	(15,275.50)	(2,164,231.89)
Jul-02	(2,164,231.89)	29,407.75	(2,164,231.89)	(15,384.08)	(2,179,615.97)
Aug-02	(2,179,615.97)	0	(2,169,851.77)	(15,424.03)	(2,185,275.80)
Sep-02	(2,185,275.80)	9,764.20	(2,159,221.98)	(15,348.47)	(2,174,570.45)
Oct-02	(2,174,570.45)	26,053.82	(2,164,689.34)	(15,387.33)	(2,180,076.67)
Nov-02	(2,180,076.67)	9,881.11	(2,180,076.67)	(15,496.71)	(2,195,573.38)
Dec-02	(2,195,573.38)	0	(2,195,573.38)	(15,606.87)	(2,211,180.25)
Jan-03	(2,211,180.25)	0	(2,211,180.25)	(15,717.81)	(2,226,898.06)
Feb-03	(2,226,898.06)	0	(2,226,898.06)	(15,829.53)	(2,242,727.59)
Mar-03	(2,242,727.59)	0	(2,242,727.59)	(15,942.06)	(2,258,669.65)
Apr-03	(2,258,669.65)	0	(2,258,669.65)	(16,055.38)	(2,274,725.02)
May-03	(2,274,725.02)	0	(2,274,725.02)	(16,169.50)	(2,290,894.53)
Jun-03	(2,290,894.53)	0	(2,290,894.53)	(16,284.44)	(2,307,178.97)
Jul-03	(2,307,178.97)	0	(2,307,178.97)	(16,400.20)	(2,323,579.17)
Aug-03	(2,323,579.17)	0	(2,323,579.17)	(16,516.78)	(2,340,095.94)
Sep-03	(2,340,095.94)	0	(2,340,095.94)	(16,634.18)	(2,356,730.12)
Oct-03	(2,356,730.12)	0	(2,356,730.12)	(16,752.42)	(2,373,482.55)
Nov-03	(2,373,482.55)	0	(2,373,482.55)	(16,871.51)	(2,390,354.05)
Dec-03	(2,390,354.05)	0	(2,390,354.05)	(16,991.43)	(2,407,345.49)
Jan-04	(2,407,345.49)	0	(2,407,345.49)	(17,112.21)	(2,424,457.70)
Feb-04	(2,424,457.70)	0	(2,424,457.70)	(17,233.85)	(2,441,691.55)
Mar-04	(2,441,691.55)	0	(2,441,691.55)	(17,356.36)	(2,459,047.91)
Apr-04	(2,459,047.91)	0	(2,459,047.91)	(17,479.73)	(2,476,527.64)
May-04	(2,476,527.64)	0	(2,476,527.64)	(17,603.98)	(2,494,131.63)
Jun-04	(2,494,131.63)	0	(2,494,131.63)	(17,729.12)	(2,511,860.75)
Jul-04	(2,511,860.75)	0	(2,511,860.75)	(17,855.14)	(2,529,715.89)
Aug-04	(2,529,715.89)	0	(2,529,715.89)	(17,982.06)	(2,547,697.95)
Sep-04	(2,547,697.95)	0	(2,547,697.95)	(18,109.89)	(2,565,807.84)
Oct-04	(2,565,807.84)	0	(2,565,807.84)	(18,238.62)	(2,584,046.46)
Nov-04	(2,584,046.46)	0	(2,584,046.46)	(18,368.26)	(2,602,414.72)
Dec-04	(2,602,414.72)	0	(2,602,414.72)	(18,498.83)	(2,620,913.55)
Jan-05	(2,620,913.55)	0	(2,620,913.55)	(18,630.33)	(2,639,543.88)
Feb-05	(2,639,543.88)	0	(2,639,543.88)	(18,762.76)	(2,658,306.64)
Mar-05	(2,658,306.64)	0	(2,658,306.64)	(18,896.13)	(2,677,202.77)
Apr-05	(2,677,202.77)	0	(2,488,735.93)	(17,690.76)	(2,506,426.69)
May-05	(2,506,426.69)	188,466.84	(2,446,777.03)	(17,392.51)	(2,464,169.54)
Jun-05	(2,464,169.54)	59,649.66	(2,464,169.54)	(17,516.14)	(2,481,685.68)
Jul-05	(2,481,685.68)	0	(2,417,841.35)	(17,186.82)	(2,435,028.17)
Aug-05	(2,435,028.17)	63,844.33	(2,432,119.42)	(17,288.32)	(2,449,407.73)
Sep-05	(2,449,407.73)	2,908.75	(2,333,154.08)	(16,584.84)	(2,349,738.92)
Oct-05	(2,349,738.92)	116,253.65	(2,209,953.19)	(15,709.08)	(2,225,662.27)
Nov-05	(2,225,662.27)	139,785.73	(2,181,276.48)	(15,505.24)	(2,196,781.73)
Dec-05	(2,196,781.73)	44,385.79	(2,196,781.73)	(15,615.46)	(2,212,397.18)

(1,161,655.57)

(1,050,741.61)

excludes IRS charge

Summary of insurance proceeds and costs incurred since 1995

Net SD related insurance proceeds received in 1999-2000	(3,094,000)
Net SD related insurance proceeds received in 2005	(51,923)
Costs incurred since 1995	1,984,267
Net remaining proceeds to apply against future costs	<u>(1,161,656)</u>
Costs incurred in 2005	667,218